

512 - WORKERS' COMPENSATION FUND

BUDGET OVERVIEW

(\$ In Millions)	2007-2008				
	2005-2006 Budget	2007-2008 Preliminary Budget	2007-2008 Council Adopted Budget	Difference between Preliminary and Council Adopted Budget	% change
Total Budget	\$1.6	\$1.9	\$1.9	\$0.0	0.0%

Note: May be slightly off due to rounding.

COUNCIL'S FINAL CHANGES

Council adopted the Workers' Compensation Fund budget as proposed.

COST DRIVERS

Workers' Compensation Claims

- Increase due to higher trend in claim costs.

State Administration Fee

- Increase due to higher trend in claim costs (State fee is based on the City's actual claim costs).

SYNOPSIS OF PROPOSED PROGRAMS INCLUDED IN THE PRELIMINARY BUDGET

N/A

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WHAT DO WE DO?	WHY DO WE DO IT?	HOW MUCH DOES IT COST?		IS IT LEGALLY MANDATED, CORE, OR VALUE ADDED SERVICE?
		2005-2006	2007-2008	
Administers the City's self-insured workers' compensation program in the 512 internal service fund.	State employers are required by law to provide benefits either through the State Fund or as a qualified self-insurer. Self-insurance is a cost effective means to provide state mandated benefits to injured employees and employees exposed to workplace diseases that occur in the course of employment.	\$1,250,303	\$1,611,753	Legally mandated
Ending Fund Balance		\$386,423	\$302,158	
TOTAL WORKERS' COMPENSATION FUND		\$1,636,726	\$1,913,911	

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REVENUE SUMMARY BY OBJECT

WORKERS' COMPENSATION	2005-2006 Budget	2007-2008 Budget	Budget to Budget Difference	2-year % change	1-year % change
Beginning fund balance	\$218,438	\$187,928	(\$30,510)	-14.0%	-7.0%
Payments from Other City Funds	\$1,327,304	\$1,645,723	\$318,419	24.0%	12.0%
Employee Contributions	\$90,984	\$80,260	(\$10,724)	-11.8%	-5.9%
Grand Total	\$1,636,726	\$1,913,911	\$277,185	16.9%	8.5%

EXPENDITURE SUMMARY BY OBJECT

WORKERS' COMPENSATION	2005-2006 Budget	2007-2008 Budget	Budget to Budget Difference	2-year % change	1-year % change
Ending Fund Balance	\$386,423	\$302,158	(\$84,265)	-21.8%	-10.9%
Excess Stop Loss Insurance	\$69,267	\$75,969	\$6,702	9.7%	4.8%
State Administration Fee	\$260,925	\$450,424	\$189,499	72.6%	36.3%
Claims Administration	\$63,550	\$39,696	(\$23,854)	-37.5%	-18.8%
Workers' Compensation Claims	\$856,561	\$1,045,664	\$189,103	22.1%	11.0%
Grand Total	\$1,636,726	\$1,913,911	\$277,185	16.9%	8.5%